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Education Committee  
October 16, 2009

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[LR149 LR172]

The Committee on Education met at 1:30 p.m. on Friday, October 16, 2009, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR149 and LR172. Senators present: Gwen Howard, Vice Chairperson; Bill Avery; Bob Giese; and Kate Sullivan. Senators absent: Greg Adams, Chairperson; Brad Ashford; Abbie Cornett; and Ken Haar. []

SENATOR HOWARD: (RECORDER MALFUNCTION) ...get this going. I apologize that we don't have more members here today. I'm Senator Howard, and I'll be your acting chairperson. I had hoped that we would have a few more people here. Maybe they'll be coming in a little late. But thank you so much for coming in and giving us your time and your expertise when you come up to testify. We're going to be hearing testimony today on two interim study resolutions, LR149 and LR172, with our distinguished senators here presenting those. There will be no proponent or opponent testimony on resolutions. We'll just be taking your comments on the issues raised in the resolutions. If you'd like to testify, please fill out one of the testifier sheets that are on the tables in the back corners of the room; drop the sheets in the box next to the committee clerk when you come forward to testify. Where is...the box is right here. Please turn off your cell phones. I always have to remember that. We don't allow the cell phones in here. We're going to be using the light system. There will be three minutes for each individual who cares to testify to speak. I like the light system in that it gives everyone a fair opportunity to be heard. Introduction of the committee--well, that will be very simple. Do you want to introduce yourself? []

BECKI COLLINS: I'm Becki Collins. []

SENATOR HOWARD: And Kris. []

KRIS VALENTIN: I'm Kris Valentin, research analyst. []

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SENATOR HOWARD: And I'm Senator Howard. I am the Vice Chair of the Education Committee. And again, welcome. We're going to begin with Senator Wightman, LR149. Welcome, Senator. I haven't seen you since we recessed... []

SENATOR WIGHTMAN: Thank you. [LR149]

SENATOR HOWARD: ...or since we went into sine die. [LR149]

SENATOR WIGHTMAN: Thank you, Senator Howard--as no longer the chairperson but as the Education Committee today. [LR149]

SENATOR HOWARD: Thank you. [LR149]

SENATOR WIGHTMAN: (Exhibit 1) I am Senator John Wightman, spelled J-o-h-n W-i-g-h-t-m-a-n, and I represent District 36, which is an area most of Dawson County and geographically most of Buffalo County. I wish to thank the Education Committee for providing me the opportunity to have this public hearing on LR149, which will address the following two issues: (1) examine how school finance data is reported to the public and how it could be made more user friendly, comparable, and understandable; and (2) examine what types of information would assist the Legislature and the public in evaluating the cost effectiveness of state aid for K-12 education. I also wish to thank the Education Committee for convening a staff working group to review these issues. After reading the preliminary draft report prepared by the staff, it is very clear that extensive school district finance data is reported to the public on the Nebraska Department of Education's Web site. If the citizen has Internet research skills and time, a great deal of information does exist. Now whether it's enough to satisfy what we maybe need to get here, I'm not sure. As the preliminary draft of the interim study finds, the problem is that too much information is...that there's too much information in maybe some ares, perhaps not enough on others. On the other hand, if the citizen does (sic) have Internet

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research skills, finding key information is a difficult task because it is physically located in Lincoln and it's scattered over multiple state agencies. I believe that the public needs better access to this existing information in their local communities to begin to evaluate the financial and learning performance of their local school district, because it is necessary that the citizens become the watchdogs, I think, as far as the local spending. And that spending directly impacts upon what the Legislature is going to be spending under the aid to K-12 education under the TEEOSA formula. How can the public provide local input and local control without basic financial and scholastic performance at the local level and in a form that they can understand, which isn't always the same form that maybe people who are more educated in using the Internet as a research tool would be able to digest that same information? For citizens who are not Internet proficient, they need to have access to basic information in written form at the local school district level. Nebraska public records law, found in Chapter 84 beginning at Section 84-712, assures access to hard copy and electronic records at the local school district offices, but it does not require that the school district prepare a summary of any information or that it provide the information at no cost to the public. Nebraska's current public records law is inadequate to identify and provide access to key information in a summary form that is often understandable to the public generally. The school district can legally charge retrieval fees and photocopying expenses to stymie a taxpayer from conducting, for example, a study of extensive records that disclose teacher salaries. The basic information outlined in the staff's third recommendation, found on page 18 and discussed later in this testimony, will stimulate local school districts to begin to tell their story and assist taxpayers to develop a deeper understanding of the factors involved in the education of students in their district. Since 1959, state aid to education has expanded by--and the figure we have is 13.7 percent per year. While this is a tremendous rate of growth, this has allowed growth in K-12 spending per student to grow by 7.6 percent per year compared to an inflation rate of 4.6, so you can see it is well above the general rate of inflation. In 2005, Nebraska was second highest only to Wyoming in terms of its overall spending per student. And some of that was caused by the number of school districts we had within the state, and perhaps that has reduced

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just a little bit. However, the data indicates that Nebraska spends less of its student support for teacher salaries. This is an example of how a state aid can lead in rapidly increased spending and yet that spending fails to reflect priorities such as teacher salaries. As legislators, we need to assure everyone that the information that they need is available in a simple and understandable format so that they can better become the watchdogs of K-12 spending and of the taxes necessary to fund K-12 education. Of the information required by this proposal, the wage and salary information is probably the most important. According to the information provided by the Legislative Fiscal Office, over 50 percent of the operating expenses of Nebraska K-12 schools are spent on basic wages for teachers, teacher support staff, and administration. However, in addition to that 50 percent, another 17.7 percent of the operating expenses are also spent on benefits for those same...that same personnel. So by reporting wages and salaries of professional staff and benefits--over 68.2 percent of the operating expenses of a K-12 school are incurred in those items of expense. Now that doesn't make it a lot different than many other agencies in the state of Nebraska--because I serve on the Appropriations Committee, and we talk about the fact that 65 percent to 80 percent of most of the agencies' total expenditures do go for personnel, so this doesn't mean that they're a lot higher than, perhaps, others. If the local taxpayer and Legislature are to be watchdogs over the expenses of K-12 education, wage and benefit information is essential. If the public learns how much teachers are paid, they can make informed decisions about the operation of their schools. They can better evaluate, for example, whether other staff members might be necessary or, considering the total cost that it's going to take to add personnel, whether they're better off to try to operate without increased personnel numbers. If state aid is to help local school districts pay their teachers and reward good teachers, this information is essential for the Legislature, but I think it's also essential for the taxpayers. I urge the members of the Education Committee to review what the staff working group reported in its third recommendation, found on page 18. The recommendation is as follows: While a great deal of information on public schools is available, there is no central location for information on both student performance and financial issues. The staff group believes that the first place school

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patrons look to find such information is from their local school district. With that in mind, the staff group is supportive of requiring all school districts to provide selected school finance and student performance information on their Web sites. The staff group is aware of only two school districts in Nebraska that currently do not have a Web site. The information provided on that Web site would include: a link to the district's profile on the State of the Schools Report; the district's per-pupil spending relative to the statewide average; a list of courses offered in grades 9 through 12; the district's graduation requirements; general fund expenditures for the current school year and the previous five school years, along with the annual percentage change in such expenditures; the school district's total property tax levy for the current and the previous five years, including a breakdown of the amount attributable to different types of levies, such as special funding, special building fund, bond levies, qualified capital purpose levy; links to Web sites that offer state and national data for purposes of comparison, such as the schools report or SchoolDataDirect.org; teachers' compensation information--the school district's negotiated salary schedule and benefits options, along with the number of teachers compensated under each level of the salary schedule and the number of teachers who chose each benefit option, the number of contract days, amount of pay for extra duties such as coaching or supervising school activities; the annual salary and benefit amounts for individual school administrators. Packets containing the above information would be available in the school district office for residents of the district who do not have Internet access. And I would say this, that public employees do need--and that's at all levels, whether it's the state, federal, county, wherever it might be--public employees need to be sensitive to the fact that the taxes necessary to support their guaranteed defined-benefit plans and high-dollar healthcare plans, which I think we would all concede that generally teachers and personnel of the school district have much-higher-dollar plans than the general public does. And those taxes to pay for that are being paid in many instances by people who have much-lower-cost plans and, oftentimes, no plans. And so I think it is necessary to keep that in mind, that we're asking the taxpayer to support those plans, and so we have to be very sensitive to the situation of those people who are paying those taxes that support the plans. This

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recommendation addresses issues presented in LR149. It would make the information more user friendly, comparable, and understandable. It would be a starting place for basic information for the public to begin to evaluate the cost-effectiveness of funding for K-12 education. My staff has prepared a draft bill to implement this recommendation. A copy will be provided upon request. Based upon the testimony today, I will consider all interested parties' input on whether to introduce legislation and, if so, what any such legislation could contain. Now, I know with discussion with regard to the staff information that we've put together as to whether or not the information on the Web site would include individual salaries--and it was generally felt, I think, that it should only include salary schedules. I do think very specific information should be included on what the cost of a family plan is, what the cost of various healthcare plans are for individuals, whether they're family, individual coverage, or maybe some other combination of coverage. And, quite frankly, it would not bother me at all if individual salaries were published, but I do understand how that might be used and create a lot of resentment throughout the community. So I just think that the public needs more information in a format that will be more user friendly, in order for them to evaluate it and for them to maintain their position as watchdogs of the use of the tax funds. In conclusion, there is a tremendous amount of information available regarding school finance and student performance if the citizen is Internet-research-proficient. With so much information available, the average citizen is probably overwhelmed and is looking for a basic set of indicators from which to form an accurate conclusion. The third recommendation of this interim study outlines those basic indicators. The basic information set forth in this recommendation will lead to a deeper understanding of the factors involved in educating students in a particular district. Districts can build off these consistent, basic indicators to tell their own unique story. The Legislature should seek to provide key accountability information about each school in one location, in one public document at no cost to the public and at nominal cost to the school district, by providing existing information to the maximum extent possible. The Legislature should implement the recommendations and conclusions presented to the Education Committee by interim study conducted pursuant to LR149. I think it's not only the taxpayer but also the Legislature that needs to be able

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to evaluate this information and see if there isn't a better way that we can come up with sustainable funding for K-12 education, that we just can't continue along the line that provides a 3 percent or 4 percent increase over and above the general rate of inflation. And healthcare is certainly one of those big issues, and probably also is defined-benefit plans. So with that information, I'll try to answer any questions that any member of the committee might have. [LR149]

SENATOR HOWARD: Thank you, Senator Wightman. And I want to introduce Senator Sullivan, who's joined us. [LR149]

SENATOR SULLIVAN: Thank you. [LR149]

SENATOR HOWARD: And I'm especially glad to see you today. [LR149]

SENATOR SULLIVAN: (Laugh) I'm sure you are. [LR149]

SENATOR WIGHTMAN: You're a valuable ally. [LR149]

SENATOR SULLIVAN: Yeah. [LR149]

SENATOR HOWARD: Absolutely. I think women are in charge this afternoon.  
(Laughter) Do you have any questions that you'd like to ask? [LR149]

SENATOR SULLIVAN: Well, I do, a few. Thank you, Senator Howard, and good to see you again. [LR149]

SENATOR HOWARD: Thank you. You too. [LR149]

SENATOR SULLIVAN: And good to see you again, Senator Wightman. It's just been a few hours. [LR149]

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SENATOR WIGHTMAN: Yes. [LR149]

SENATOR SULLIVAN: Well, let's see. Where do I start? First of all, I'm sensitive to the cost of insurance, except I don't know necessarily if we could go so far as to say that education is higher than business. We just grappled with that in our board of directors meeting at the bank yesterday. And even though banks contribute...or participate in a huge pool of community banks all across the state, our premiums are, I think, probably in line with what premiums are with the local school district. I guess my first overarching question is: What do you think all of this will help to contribute to the quality of education for a student? [LR149]

SENATOR WIGHTMAN: Well, I think maybe it will make it so that the taxpayer knows what he's paying for, I think. So the quality of education probably is done more in the form of reliable information with regard to student performance and such things as that. But the cost of education, which is equally important, in my opinion, with the quality of education, because I don't think we can put either one of them in a vacuum. [LR149]

SENATOR SULLIVAN: And they should be, hopefully, connected too. [LR149]

SENATOR WIGHTMAN: And, hopefully, there's some connectivity between them. But...so I think we're looking at both--we're looking at quality education, and we're also looking at the cost of that quality education and, you know, at what point we determine that maybe something isn't cost-effective. [LR149]

SENATOR SULLIVAN: Um-hum. In this whole mix of what you're proposing, where does the local school board enter into this, because in the list of things that you were listing in the recommendations, I didn't see that the school board minutes would be posted. But I presume that would be part of the thing... [LR149]

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SENATOR WIGHTMAN: Well, I think they are...they usually are posted anyway...  
[LR149]

SENATOR SULLIVAN: Um-hum. [LR149]

SENATOR WIGHTMAN: ...aren't they? So I don't think that would be a change particularly. [LR149]

SENATOR SULLIVAN: But, again, where do you see the school board entering into this mix of, well, I guess, basically, what a patron does with this information once they see it on the Web site? [LR149]

SENATOR WIGHTMAN: I guess they can evaluate where their tax dollars are being spent, you know, whether maybe we need to cut out certain programs in a school. And I'm thinking not so much of academic programs as maybe activity programs, paring back on activity programs, such things as that. [LR149]

SENATOR SULLIVAN: Um-hum. [LR149]

SENATOR WIGHTMAN: You know, we can't just continue to proliferate as far as programs, I think. We have to determine the cost-effectiveness of various programs.  
[LR149]

SENATOR SULLIVAN: Um-hum. [LR149]

SENATOR WIGHTMAN: And so I think they need input from the public, and I served on city councils for a number of years out in my community. And I think the same is true of the board of education; frequently they sit there, and there's nobody there. [LR149]

SENATOR SULLIVAN: Um-hum. [LR149]

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SENATOR WIGHTMAN: That's probably the most common meeting you have, in which there's maybe one or two patrons of the school district even there. And whether this will change that, I don't know. [LR149]

SENATOR SULLIVAN: You're right. And I wonder if the information, particularly with respect to insurance and salaries, does more to further the information provided and benefit to the citizens, or is it just fodder for coffee shop talk? You know, I'm trying to weigh that. [LR149]

SENATOR WIGHTMAN: I suppose it's hard to determine where one stops and the other starts, but I do think that they are better able to evaluate, and I think there are people that are more likely to pull that up on the Internet Web site than, probably, to go to meetings. [LR149]

SENATOR SULLIVAN: Um-hum. [LR149]

SENATOR WIGHTMAN: And I'm not sure they would get that information, Senator Sullivan, even if they went to the meetings. They could ask it, but... [LR149]

SENATOR SULLIVAN: Um-hum. [LR149]

SENATOR WIGHTMAN: ...I doubt if it would be presented in a form at a normal board of education meeting that they would have the answers to the questions they might have. [LR149]

SENATOR SULLIVAN: Okay. [LR149]

SENATOR HOWARD: Thank you. Senator, I have to ask you this question--and I think we're all concerned about the cost of everything now and how we're going to pay for

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it--but how did this particular issue come to your attention, or how did you become engaged in it? [LR149]

SENATOR WIGHTMAN: Sitting on the Appropriations Committee... [LR149]

SENATOR HOWARD: Ah. [LR149]

SENATOR WIGHTMAN: ...we obviously become very engaged and involved in determining what the level of K-12 funding should be on an annual basis. And to have the information to see what school districts are doing with that funding I think is very vital to our performance as Appropriations Committee members--and to see if there isn't some way that we can limit that growth compared to where it had been in the years that I discussed in my presentation. [LR149]

SENATOR HOWARD: Of course, you're getting the information...you have that information available to you to just request that, and you can get those figures in. [LR149]

SENATOR WIGHTMAN: I don't know whether right now we could get the information. We probably could if we went and dug it out on what everybody's paying as far as...but so often we aren't setting that budget. We're just agreeing to participate and provide a portion of the funding through the appropriations request. I think it's still always going to require that the citizen, the patron of the school district, is the one who's going to have to be the real watchdogs of this. [LR149]

SENATOR HOWARD: Hmm. Well, I anticipate we'll hear some comments about that to provide us some more information. Thank you. [LR149]

SENATOR WIGHTMAN: Thank you. [LR149]

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SENATOR HOWARD: Do we have some people that would like to speak to this? All right, no proponents, opponents...well, we don't have proponents. Anyone that's interested? Well, Senator. [LR149]

SENATOR WIGHTMAN: I'll waive the right to close. [LR149]

SENATOR HOWARD: You're going to waive. All right. We'd invite you back up again if you'd like to comment on their comments. All right. Thank you. Well, then, we're consider this to be closed. Senator Harms, you're going to be addressing us on interim LR172. [LR149]

SENATOR HARMS: That's correct. My name is John N. Harms, H-a-r-m-s. I represent the 48th Legislative District. And, Senator Howard, thank you very much for being here. And, Senator Sullivan, it's good to see you again--couple hours ago. The purpose of this study is really designed to basically analyze education and training components that we have in this great state and to see if we're lined up to actually move those in the high-demand careers that we have and go actually beyond the high-demand careers but start looking at the future. One of the concerns that I have, I think, in Nebraska with our educational systems is that we are not looking at the skill sets that the new, changing world global economy is going to require. It's going to be much higher than it is today, and a minimal education will not be high school; it'll be certification, diploma, associate's degree, bachelor's, master's, doctor's degree. And we need to start to pay some attention to that, because I think when that global economy really starts to have an impact on this great state, it'll be too late for us to be able to make the adjustments. And so I hope that people will take this seriously, that we need to start paying some attention to this--this is what this study is really about. Even our own Department of Labor has indicated that we already have high-demand jobs and shortages. We have them in healthcare--you can pick any phase of healthcare and particularly in rural America. I mean, there's a tremendous shortage; we can hardly serve the people that we have today. We have insurance, that there's going to be a shortage; we have green

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jobs that's in shortage; we have high technology, that shows that there are high career opportunities but there's a shortage there. If you move into education and get into the university level, you know, you've got research that's short; you have, you know, mathematics, sciences--there's a shortage along this whole line. And there are great opportunities for us to move people into those careers. The thing that really alarms me when you look at Nebraska, only 36 percent of Nebraska adults have a postsecondary degree. And we know that the skill set is going to be higher in this coming decade, and that memo on education that was...public schools is gone and yet Nebraska sits with only 36 percent. And then one out of ten does not have a high school diploma--adults--one out of ten adults do not have a high school diploma or a GED. So when you look at that, we are really sitting in a position that may not be very favorable in the future for us. And all I'm trying to do is get people to start to think about: What would the skill set be? What's the platform? What is the very minimal platform that we're going to have to have to move into this new world changing global economy? And what this study does will actually align us with what the skills are that workers...working skills that we have now, what the educational skills are, and what they need to be in the future to meet the demands of employers and businesses. I think we'll fail miserably in this great state if we don't pay attention...other states have already started this movement. Other states have started to design that pipeline to feed directly to the high-demand positions. But we have to go beyond the high-demand. If we just look at the high-demand now and don't look at the future beyond what we are today and get outside of the box, we'll struggle. And this is what this is about. And I know that there are people coming that will probably shed a lot more light on this, because it's been awhile since I've been involved in career education, and it's amazing how fast that changes when you leave the educational world. But it is a concern, and it is something I think we have to focus on, and we can't wait much longer in order to do that. So I'd be happy to answer any questions, and I said I'm sure there are other people that will follow along that will give you a heck of a lot more information than I have. [LR172]

SENATOR HOWARD: Thank you, Senator Harms. [LR172]

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SENATOR HARMS: You're welcome. [LR172]

SENATOR HOWARD: I want to recognize that Senator Giese has joined us. Welcome. I really value your expertise in this particular area. You have a lot of experience working with community colleges. Do you think the community colleges are really serious about this issue? Are they looking at projecting ahead, just the very thing you're suggesting? [LR172]

SENATOR HARMS: I think that they are, but I think that...I've been away from it now four years, and it's best to ask maybe Dr. Huck when he comes forward--I think he's representing the community college system--probably could answer that question. I know that when I was in it, we were very serious about it, and that actually training for business and industry needs to be a major component of a community college. And what people want in businesses is not so much a degree. They want certification; they want to be able to certify someone can perform this particular responsibility. But all of the businesses who are very progressive, that know that they have to be competitive, realize that the level of education is critical, and to have the right set of skills is even more important. And so when community colleges go in to train businesses, a lot of them will pretest, and then they'll...after they get through the program, they posttest. And it's really a great opportunity for the companies and the CEOs of those companies to look and say: My gosh. Here's where we were; no wonder we weren't competitive. Now here's where we are; we're moving in the right direction. That's what they're great about. They also have to look at the four-year colleges and universities. I think they also...there's a level there that they've got to be...play a part of that community colleges just can't touch, that there's a certain skill set that they're going to have to perform that no one else can. [LR172]

SENATOR HOWARD: Well, in my observation, we've been moving away from the traditional, and people are really now seeking training that's going to prepare them to go

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out and work. And how do you see the for-profit colleges entering in to this? That's their bread and butter. That's what they advertise: We will have you in a job in 18 months.

[LR172]

SENATOR HARMS: I think they fit very highly into it. And I think people will move in that direction if we don't step up to the plate in the public sector and address the issue. People will go where they can get the training and the skills. And so they seem to be, in many cases, a little sharper in reaching into the future, because they have to. But I think it's time that we do it now in the public sector. And it also talks about the public schools. Not being critical of the public schools, but I do believe that identifying these skill sets is really critical, because that's the very bottom of the platform that we prepare these kids for. And when they get to the college level, we've got to have them on that platform so we can then finish that development at the very base. And other countries, internationally, have already done that, are in the process of doing that. And that's what worries me, that we will not be competitive. [LR172]

SENATOR HOWARD: Hmm. I appreciate that. Do we have other questions? [LR172]

SENATOR SULLIVAN: Please. [LR172]

SENATOR HOWARD: Senator Sullivan. [LR172]

SENATOR SULLIVAN: Thank you, Senator Howard. And thank you, Senator Harms. I can't disagree with anything you've said. The popular literature, with Thomas Friedman and his The World Is Flat, says tertiary education isn't absolutely a requirement. And you've said that obviously there are jobs going unfilled here in Nebraska--whether it's healthcare, green jobs on...but I guess my question is: Do you think there's any correlation to some of this problem with lack of a skill set or lack of workers and the depopulation of rural Nebraska? Because we typically have higher graduation rates in our school districts in rural Nebraska. They are more likely, I think, probably, to go on to

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higher education, but they're leaving the state, and they aren't coming back to rural Nebraska. So I think that mix needs to be, maybe, part of the discussion. [LR172]

SENATOR HARMS: Yeah, I think that there probably is. When you look at--as we both know, we live in rural America--when you really look at rural America, I think in the conversation we had this morning in the planning committee is that there's a number of issues. And one of those issues is that our smaller rural communities are not prepared for the new global world economy, as far as their leadership is concerned. And I think that's the first step that we have to take in rural Nebraska if we're going to put rural Nebraska on course to be competitive in this global economy. We have to go back and start to re-educate the leadership that's in these rural communities so that they can appreciate and understand what they're confronted with in regard to a new world global economy and the skill sets that their workers are going to have to have and the skill set the kids are going to have to have. A lot of people are leaving rural America and not coming back because we've not made any real attempt to bring companies and jobs to rural Nebraska. See, I happen to believe very strongly that you have to break the barriers down. We're going to have to go to regionalization; the county lines are no longer going to be successful. If we stay with that whole process, we will not be successful. It's got to be regionalization, where then you have six or seven counties come together and become an economic development force that can bring companies in and then keep our young people here. So there's a number of problems that come along with this. But part of it is that we just have not made the attempt. What we have heard for so long are the problems; we're not placing the solutions down. And that's what I'm hoping this planning process that you're involved in and Senator Wightman is involved in and some other senators--we'll get to the bottom of that. And then we can start laying out that platform, and we can start moving forward with some solutions. But that's a good question; thank you very much for that. Did I...I don't know if I answered that or not, did I? [LR172]

SENATOR SULLIVAN: That's fine. That's fine. [LR172]

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SENATOR HARMS: Probably talked around it. Been in the Legislature too long. Sorry about that. [LR172]

SENATOR HOWARD: Do we have any other questions? [LR172]

SENATOR HARMS: Well, you've been very gracious and kind. Thank you. [LR172]

SENATOR HOWARD: Thank you for coming in. [LR172]

SENATOR HARMS: You're welcome. [LR172]

SENATOR HOWARD: Thank you. You're going to stay in case you want to say some parting words after folks have a chance to testify? [LR172]

SENATOR HARMS: Yes, I will. Thank you. [LR172]

SENATOR HOWARD: Good. Thank you. Thank you. Are there individuals that would like to speak on this? Come forward. [LR172]

CALEB POLLARD: Good afternoon. [LR172]

SENATOR HOWARD: Welcome to the Education Committee hearing. [LR172]

CALEB POLLARD: Thank you. My name is Caleb Pollard, C-a-l-e-b; last name is Pollard, P-o-l-l-a-r-d. I am currently the executive director of Valley County Economic Development and the Ord Area Chamber of Commerce. And I hope to provide a little bit of insight into some of the systems that we've kind of created--both in past experience in Omaha, Nebraska, and then experience that I've been involved with in Valley County--to address specific work-force needs and deriving solutions to meet those needs. I do

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want to thank you today for giving me the opportunity to speak, and it's good to see a familiar face on the committee with Senator Sullivan as well as others. Basically some background on where I come from: I have been in economic development about five years and spent almost all of my time in economic development as a professional looking at solutions for the work-force challenges in Nebraska. I started out at the Department of Economic Development looking at that issue globally as in the entire state but then also making a transition to the Greater Omaha Chamber of Commerce to work on a specific project that looked at poverty alleviation in north Omaha and then also addressing specific segments of economic need for work-force needs about a year and a half, two years ago. A very different economy existed two years ago, and it has affected some of the outcomes associated with those solutions that we put together. But I will get to that in a second. And then now living in a rural community, I've been given an opportunity to work on strategic work-force needs in a global economy. In fact, I believe that the farming community is at the forefront of the global economy. The number 1 export from Nebraska is agricultural products. And the number 1 export from the United States is agricultural commodities. And so for us to focus on where the future of the ag economy is going, it's going to be very important on local communities like Ord and Valley County. So in talking about how reform really, I think, should be addressed within the work-force delivery mechanisms really breaks down into two very specific components. Right now I think, first and foremost, is the budget situation is an ideal time to take a look at this issue, because there is duplicity in programs between Department of Education, Department of Labor, and the Department of Economic Development. And I think opportunities to enforce mandated shared resources as well as interdependent agency cooperation would be the first place I would start in looking at work-force development reform. We have fantastic on-the-ground research...two roles: to understand where the businesses have a very acute need first, and that can play very well into work-force delivery systems that are paid for by federal dollars through the Department of Labor. And I think what is important to note as well is, if you talk to Richard Baier, who is the director of DED--he is my former boss as well--he will tell you, for the first time they've been able to sit in the same room with a wide variety of

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work-force development players and actually have a conversation about a shared future. And I think that's a very good start in terms of looking at some of this reform, because that's where a lot of our tax dollars are going; and they're being wasted, because I've seen that mechanism on the inside waste tremendous amounts of money not addressing these issues. For example, we have work-force delivery tools in north Omaha that train for cosmetology but don't train for the skills like welding and machining that were acute two years ago and still are acute now in Omaha in terms of work-force needs. But there are various barriers to getting that sort of program up and going, and I can talk specifically about how we address that here in a minute. The second issue, though, is, of course: How do you address rural communities? Rural communities do have leadership capacity there in some, not in many, and I will be honest with you on that. I believe that the community which I represent does have that sort of leadership capacity, and I will share with you as well how we're using that to make connections with an acute work-force need that we have. We have an unemployment rate in Valley County of 2.5 percent, and we carried a work-force shortage through this great recession--as they're calling it--and we still are expecting that when things turn around on a national scale and on a global scale, as they seem to be, we're going to be at a distinct disadvantage because we don't have workers. The average age in Valley County is 47. The average age in metro Nebraska is 36. And so when we look at some of where our shortage needs are going to not only be right now but where they're coming, we're scared in some regard because we know that we may be at a disadvantage in retaining those businesses. When I was at the Greater Omaha Chamber of Commerce, we worked on specific barriers to education and training along the lines of adult basic education within north Omaha. I was charged at that time in working with a great group of individuals from the United Way, from Metro Community College, from a variety of social service mechanisms in north Omaha to come up with a pilot project to pitch to what is called the National Fund for Work-Force Solutions to actually create something that works. The work-force investment board in north Omaha was not delivering, based on some of their outcomes. Since I've been there, they have started turning around, and I think that that is an indication of actually aligning resources

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with where the need is. And the need has to be established from not the employee necessarily but from the employer. And I think that we have maybe a system that's flipped a little bit in terms of how we meet those needs. I'm sorry, but if there is not job opportunities in cosmetology, why would we be training people to get that sort of education? It just doesn't add up. [LR172]

SENATOR HOWARD: And, Caleb, I would remind you that we do operate under the light system. So if you can give us a little more information in a more concise way, we'll appreciate it. [LR172]

CALEB POLLARD: Okay, as in terms of how? [LR172]

SENATOR HOWARD: How much longer do you have on your...? [LR172]

CALEB POLLARD: Okay, I'm sorry. Just a couple more minutes... [LR172]

SENATOR HOWARD: That's fine. That's fine. [LR172]

CALEB POLLARD: ...and I would be happy to answer your questions. But I would just point out that within that pilot project, what we were able to do is address how we delivered education and training to people that needed it. And so we had to understand what those barriers were. We found them out to be transportation, childcare that was reliable, basic life skills--and what I mean by that is that we're trying to put people into training programs that still don't know how to show up to work on time, and I'm not trying to be mean about that, but there are ways to do that, and I would encourage you to reach out to the Omaha Chamber of Commerce and ask them about this program that they created, because they were able to at least align financing from a variety of areas. And aligned funds are very important. What that pilot project turned out to be was a investment of \$1.2 million and actually overhauling the work-force development systems that was modeled off what they saw in Los Angeles. And so from that standpoint, it was

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effective in at least getting aligned funds and moving a program along. But specifically in the community that I represent now, we look at it from an employer-driven standpoint. We've been able to enter into an agreement with the community college to expand their educational capacity within Valley County. And what we've been able to see from that is employers signing up to meet their specific needs and the community colleges reaching out to area high schools to find students that would fit that need and go into employment right out of, sometimes, high school, with education ongoing as an internship or as an apprenticeship. So there are models within the state of Nebraska that you can reach out to and look at for delivering specific work-force solutions that you're looking for. And if you have any questions for me, I would be happy to share more. [LR172]

SENATOR HOWARD: Thank you. Thank you. I want to recognize that Senator Avery has joined us. Welcome. [LR172]

SENATOR AVERY: Thank you. [LR172]

SENATOR HOWARD: It's good to see you. Do we have questions? [LR172]

SENATOR SULLIVAN: Quick question. [LR172]

SENATOR HOWARD: You bet. [LR172]

SENATOR SULLIVAN: Thank you, Senator Howard. Caleb, you mentioned the CCC relationship, but you also said about...was it CCC that goes into the school--secondary school--or you to identify the relationship with some secondary students? [LR172]

CALEB POLLARD: I appreciate that question, Senator Sullivan, and I would say that it's a shared standpoint. We, both my office and Central Community College, have agreed to share--project-share on a position to actually develop that. So we have a business coach that goes out and develops relationships with the business community and

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understands what their needs are. And then we also develop a community college system that delivers a work force that meets that need. And we have a specific need within the ethanol industry. Even though it went through a few lumps, it is expanding in capacity again. We have specific needs in export-oriented manufacturing; we have a manufacturer that exports to Europe. And then in the ag sector, I mean, the average age of the farmer in Nebraska I believe is over the age of 50, I think even 55. And that is a sea change of events that we have not really even talked about. We haven't even talked about it...being a farmer as a reliable occupation. There's a lot of barriers to it, obviously. But it's not even in the lingo right now. [LR172]

SENATOR SULLIVAN: Um-hum. Thank you. [LR172]

SENATOR HOWARD: You know you mentioned the problems of transportation and childcare, which are age-old. This is not anything new. When I worked in Health and Human Services, these were the very same barriers that prevented people from maintaining any kind of employment. So what solutions have you come up with? [LR172]

CALEB POLLARD: One of the solutions that we looked at was a life coach to help people actually maintain some semblance of normalcy in their lives. A lot of times when you look at generational poverty--as you all very well know--some of these issues...they don't have good coping skills in terms of addressing some of the issues. So if a car breaks down, how do they call a cab and then get that cab to get kids to day care and then get them to work? Well, again, the issue with that is cost. So in a lot of times when you reach out to folks that are on, say, welfare, for example, there are mitigating resources available through the welfare program to help address those issues and get folks off welfare. Of course, when your income gets to a certain standpoint, your benefits go away, and you have a whole new ball of wax to deal with there. But that would be one, I think, that's very important...is there are resources already available; they're just not aligned in helping individuals that are in the welfare system get off that

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and get to the job. And I think that that's very important to know. [LR172]

SENATOR HOWARD: Do you have practical funding sources that help people that aren't able to access these possible welfare, as you call them, benefits? These benefits don't cover every family or every situation. [LR172]

CALEB POLLARD: Absolutely. [LR172]

SENATOR HOWARD: And sometimes they're just not available. So do you have resources that your life coach can provide? [LR172]

CALEB POLLARD: When we were in the initial deployment phase, we talked about those issues. And at the time, based on the cost of the project, it ballooned that cost too much to have essentially what was a petty cash fund to help problem-solve for the folks who were involved in the program. And that continues to be a problem, is that when we allow people to get to a certain threshold of success, we cut away all the support. And when the support is all cut away, then they can't access some of those resources to continue on with that job. And they drop out of the job, and they go back on the public rolls. And so I would say right there is a major gap, is there are not solutions because they're cost-inefficient right now in terms of providing for folks that are working or not working in the welfare system. [LR172]

SENATOR HOWARD: Thank you. Do we have any other questions? All right. Thank you. [LR172]

CALEB POLLARD: Thank you. [LR172]

SENATOR HOWARD: How many testifiers do we have this afternoon? And I'll remind you that we are using the light system just to give everyone a fair opportunity. [LR172]

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JACK HUCK: (Exhibits 2 and 3) Good afternoon, Senator Howard and members of the committee. [LR172]

SENATOR HOWARD: Welcome. [LR172]

JACK HUCK: My name is Jack Huck, H-u-c-k. I'm here today in two capacities; I'm not sure if that gives me double time, Senator Howard, or not. [LR172]

SENATOR HOWARD: (Laugh) We'll decide that. [LR172]

JACK HUCK: Okay, you can decide that later. I serve as president of Southeast Community College and obviously representing Southeast Community College, but I also am here today representing the Nebraska Community College Association, which is the association of five community colleges here in the state of Nebraska. Nebraska's community colleges are well positioned to continue and develop the programs we already have in place for high-demand industries such as healthcare, information technology, insurance, and green jobs, which are four of the focus areas in LR172, as you know. The community colleges already have in place effective cooperative agreements with each other and many four-year institutions. This allows us to expand and upgrade these programs of study to meet future needs for a more skilled work force, as well as providing retraining for existing employees as changes take place in these industries because of new and emerging technology. The community colleges are positioned to provide customized training for any of these industries in locations across the state. The community colleges also utilize business and industry councils to make sure that the people trained for a specific industry have the skills to deal with the most current needs, both in terms of technology and skill level, to meet the workplace requirements in a given industry. The community colleges continue to be a major supplier of technicians in the field of healthcare and continue to form partnerships with other institutions to provide health-care training throughout the entire state. It is vitally important to provide this training, especially in rural Nebraska--which you've already

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talked about--because people trained near their home tend to stay and to go to work near their home. An example I would give you, in our own case at Southeast Community College, is we're one of the premier providers of health occupations programs by distance technology in the nation. A quick example of our radiology tech program that we started delivering about five years ago across the state of Nebraska--in the early cohorts in Norfolk, Nebraska, 98 percent of the radiology technologists that were trained by our distance learning program in Norfolk stayed home and went to work in the Norfolk area. Those are the kinds of solutions to healthcare for rural Nebraska that we need to attend to, both now and in the future. It's also cost-effective for community college areas to share their expertise rather than having each area develop their own program. The healthcare programs tend to be some of the most expensive programs the community colleges provide, due to the continuing evolution of curriculum technology. Information technology programs continue to be of major importance for the community colleges also. This is a field of study that requires the constant upgrading of technology. There are still excellent jobs available in these fields, and placement for graduates remains strong. The community colleges also have good articulation agreements in this field of study to allow associate degrees to seamlessly transfer into a number of baccalaureate-degree programs. Insurance industry training is usually handled as a part of the business programs at each of the community colleges. We've created very close ties with this industry so that the latest curriculum technology is used and ensures that graduates are ready to enter the work force. Again, to give you a personal example for Southeast Community College, we've just recently been in the midst of working on a new insurance curriculum, which will be a focus of our business administration program that was really initiated from studies done by Nebraska in terms of target industries, insurance being one of those, work with one of your neighbors across the street, Assurity Insurance Company, and the Director of Insurance for the state of Nebraska, Ann Frohman. Those folks have really helped us move rapidly in the field of new insurance training opportunities within that industry. In the areas of green jobs and green building, the community colleges have programs in alternative energy fields and continue to look at adding new programs as wind energy, biofuels energy,

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and solar energy gain in prominence. These new programs will require working closely with the emerging industries on the part of the colleges, as some of these industries are still in their formative stages. The community colleges stand ready to provide technical training for these and other new and emerging industries. The community colleges stand ready to assist the state in further training options for these already-identified high-demand industries. We also want to keep a close eye on further developments in other existing and new fields that at some point may be identified as high-demand industries. As an example, the Lincoln area Workforce Investment Board is currently engaged in a regional innovation grant project that has identified key industry growth potential for southeast Nebraska. AngelouEconomics, who many of you are familiar with, is in the midst of completing their research and report but have preliminarily identified focus clusters in the areas of agriculture and life science, advanced manufacturing, and transportation and logistics in addition to the four that you have cited in the LR172 study. My testimony today provides an overview for you of the commitment of your community colleges across the state to work closely with you in meeting the work-force needs of the state, both for today and tomorrow. Further details of these topics from the various community college districts is provided to you in the written handout that I gave you as a supplement to this update that I'm giving you verbally today. And in addition, we also provided you with the latest opportunities guide, which lists all the programs of study in your community colleges across the state of Nebraska. Thank you for the opportunity to address you on these important topics, and I'll be happy to assist you in any additional ways that I can. [LR172]

SENATOR HOWARD: Thank you, Mr. Huck. I did give you a little extra time for your dual roles. [LR172]

JACK HUCK: Thank you very much. [LR172]

SENATOR HOWARD: You're welcome. Do we have any questions? We don't have a question, but I will give you a comment. I couldn't agree with you more in terms of

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providing education for people that live in the area. I was...we had a Health Committee hearing a week ago, and one of the things that is an issue that keeps coming back again and again and again is how do we lure doctors, and medical professionals especially, out to other areas of Nebraska. And what seems to happen so often is they're there, and they fulfill their obligation, and then they're gone again. And if people have an investment in an area--that's where they grew up, that's where their home is--I think they're much more likely to stay and practice and continue in that area. So I think the community colleges really serve a purpose with that. [LR172]

JACK HUCK: Thank you. And that is precisely the experience we've had. We provide associate-degree level training in radiology technology, respiratory care, surgical technology, dental assisting; we'll soon be bringing practical nursing and the associate-degree registered nursing on board. And again, our experience in all those fields has been just like what I described with the radiology program. And we're doing those at a number of locations across the state. It's a wonderful joint opportunity for the community colleges because the local community college delivers what I'd call the general education components of that degree, and then we deliver the specialty components, because we have the certified programs in those fields. And to see those students...well, two things I would tell you about those students: I told you they stayed home, and that has been our experience; basically 90 percent-plus of them stay home and go to work in their local area. The other thing we found about those programs, at least in these early stages, is those students succeed at or beyond the level of the students we see face to face in the classroom on campus. So it's not that these are lesser students or getting a lesser education; they're succeeding at extremely high levels, and then they're staying home in rural Nebraska and putting those skills to work. And it's a model that I think we do indeed have to pay increasing attention to in the future. [LR172]

SENATOR HOWARD: I would agree. Thank you. Thank you. [LR172]

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SENATOR SULLIVAN: Senator Howard. [LR172]

SENATOR HOWARD: Oh, Senator Sullivan. [LR172]

SENATOR SULLIVAN: That's all right. I just have to get my little dig...not a dig, but it just gets back to what I mentioned--thank you, by the way, for your good comments--but what I said to Senator Harms is that I agree with you totally on your last comments, but that's the Catch-22 that we're in is that we are...that there is a shrinking pool of people out in rural Nebraska. And, yes, there's a good percentage of them that either do return or want to return, but there's fewer and fewer to choose from. [LR172]

JACK HUCK: And, Senator Sullivan, you are exactly correct in terms of the demographics, but let me share with you also, if I may. In the case of community colleges, what's often referred to as the brain drain is not a reality for our community college graduates. And the experience of all of our community colleges across the state is basically 85 percent-plus of those students stay within the state of Nebraska. And most of those even stay within their local community college district. So they have some connection to place, as Senator Howard referred to, and that plays a big role in their life. So the community college student doesn't experience the same kind of leaving-the-state phenomenon that we might find in other sectors of higher education. I think that has a lot to do with, again, the demographics and who our students are. But nevertheless, even though the fact is they stay in the state, part of the demographic issue you're referring to--and it's very real--is there is still the demographic move from rural Nebraska to urban Nebraska. And so even for those who do come to us for education and training, if, again, if we're not training them in their home community, then the issue becomes: How do we get them back to their home communities to provide that service in their home communities once they've come to the campus location to participate? And it is a continuing challenge, but I can tell you we work diligently on trying to make that happen. [LR172]

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SENATOR SULLIVAN: Thank you. [LR172]

SENATOR HOWARD: Thank you. Do we have any other...? Thank you. [LR172]

JACK HUCK: Thank you very much. [LR172]

PETER KOTSIOPULOS: Thank you very much. No, I don't have any handouts. Senator Howard, members of the committee, my name is Peter Kotsiopulos, K-o-t-s-i-o-p-u-l-o-s. I'm vice president for university affairs at the University of Nebraska. Although university affairs has many areas of responsibility, my position is dedicated to initiating and enhancing the economic development and engagement efforts of our four campuses to our external communities and partners. As it relates to today's hearing, we have for several years been examining work-force needs in Nebraska. And because the university has a significant investment in the percentage of teachers, engineers, doctors, nurses, dentists, and the like, including high-tech communications specialists, in this state, we have a role and a responsibility as the state's major public university to be part of your committee's work to analyze the education and training which will lead to careers in Nebraska. Shortly after joining President Milliken's management team and taking a hiatus from 36 years in the private sector, one of our first major projects related to work-force issues in Nebraska was to prepare a presentation to the Board of Regents in March of '06 called Program Alignment and Work Force Demand. This came about as a result of the Board of Regents' then recently completed document entitled "Strategic Planning Framework and Accountability Measures." Within that document is Item 2.c.i, which states: "Determine key areas of future work-force demand and strengthen or develop curricula and programs in alignment with those areas." First we examined some 16 different surveys and studies and data collections that had been done in the work-force issues in Nebraska since the year 2000, including the targeted industry studies completed in 2000 and 2003. The 2003 study segmented our state into ten geographic regions and identified targeted opportunities in each region. From that study, we identified six major categories where our four campuses could have an impact

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on addressing work-force needs. They are business and marketing management; communication and information systems; environmental and agricultural systems; health sciences; human sciences; and industrial, manufacturing, and engineering systems. Within each of these six broad employment categories, the NU campuses provide numerous instructional programs to provide Nebraska work force. Since that initial presentation, we have joined the academic side of the house in Executive Vice President and Provost for University Affairs Linda Pratt, who will follow me, for an annual report to the Board of Regents in March of each year. Dr. Pratt will elaborate on our "Strategic Planning Framework: Accountability Measures" and our progress in the area of work-force development. I would take questions, but I'd yield any excess time to Dr. Pratt. [LR172]

SENATOR HOWARD: That's very kind of you. Thank you. Do we have questions? Looks like we're letting you off easy. [LR172]

PETER KOTSIOPULOS: That's all right. I'll stick around. [LR172]

SENATOR HOWARD: Welcome, Dr. Pratt. [LR172]

LINDA PRATT: Thank you very much, Senator Howard. It's good to be here, say hello to everybody including my former colleague. As Vice President Kotsiopoulos was telling you, we did invest a good bit of time into this analysis of the work-force needs. And after his study was put together, I took those categories of work-force need that he had developed, and I worked with the chief academic officers on each of the campuses to see...to put together an index of all the programs that we had that would fall under that category. And each year in March we report on that to the Board of Regents. This is the booklet that does that; this is the third one that we've published. And it takes those categories and simply indexes all of the programs that we have. We also use this as a way to track new programs that we have added and programs in development. So, for example, this page, under Business Marketing and Management, the subcategory

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Public Service and Public Administration, it shows that in 2008 we added Ph.D.--Health Promotion and Disease Prevention Research and Health Services Research, Administration, and Policy. And we were able to add these things because of the new College of Public Health at the University of Nebraska Medical Center. And over here we show and...programs under development, and we have an online Public Policy undergraduate certificate. And, again, through the online offerings, we're sometimes able to offer our programs to rural areas that can't come to the campus. Only one of our campuses--UNO--has a public policy and public administration college. And so we use this to keep a constant conversation going on with our academic officers, because we have to update this every year for the board. It also causes us to have to stay on top of what the emerging areas are. And we are planning to look again at that pretty carefully in about a year or two; we want to let the economy settle down a little bit, because we're afraid if we do that study right now, there'll be some distortion factors in it. But we plan to undergo the same kind of survey as soon as the economy has settled down a little bit and the unemployment rates have leveled out to whatever they're going to be. In addition to this, most of our campuses from time to time undertake some significant efforts of their own to study work-force needs. You perhaps read in the newspaper lately, just very recently, about this work-force planning report from the University of Nebraska Medical Center. The purpose of this was to develop a strategy for meeting the healthcare work force needs of Nebraska. It looks at everything from the age of physicians in the state to the projected retirements in healthcare professionals. It looks at the urban/rural distribution and the needs of each of the 93 counties in Nebraska. The report concludes with recommendations about how to expand and streamline programs and partnerships to meet these needs. This is a...I had it printed on both sides of the paper; it's a 200-page report, a significant effort by the medical center. UNO also commissioned an agency called Economic Modeling Specialists to study the specific work-force needs in Omaha. And this study looked at where the jobs are in the metropolitan area and the projected new jobs for four-year requirement...degree requirement jobs. The UNO study found that the top four occupational areas that will require a four-year degree through 2012 are K-12 educators, accountants and auditors,

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postsecondary teachers, and computer software engineers. There were also significant areas in surgery, pharmacy, lawyers, civil engineers, and medical technologists. So I think that these studies do show that the University of Nebraska is quite seriously currently addressing all these areas and trying to see where our particular role as a four-year institution with graduate programs can address these work-force needs. By doing these things, by reporting regularly every year to the board, we are able to keep the conversation going--the emphasis on new program development going. And we think that we are working pretty hard to stay on top of these issues. I'd be happy to take any of your questions. [LR172]

SENATOR HOWARD: Thank you, Dr. Pratt. Do we have questions? [LR172]

SENATOR AVERY: I just want to... [LR172]

SENATOR HOWARD: Senator Avery. [LR172]

SENATOR AVERY: Yeah. Thank you, Senator Howard. I was just curious about who pays for these studies. [LR172]

LINDA PRATT: These studies...this was paid for by UNO. The other study I'm sure was an in-house study from the University of Nebraska Medical Center. But I believe they have in here--I do believe they got some grant money for this. And they have a paragraph in here addressing the sources. And they have such a long table of contents that I'm not sure I can put my hand on it quickly, but...here it is: Funding for the project was provided by the University of Nebraska Foundation for medical research. The authors proceed to thank the faculty members at UNMC and others. It's an internal effort to do it with some foundation support. [LR172]

SENATOR AVERY: You know, we're looking for places to find savings, so I was just wondering maybe that might be one of them. [LR172]

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SENATOR HOWARD: Proceed with caution. [LR172]

LINDA PRATT: No, it was private money. [LR172]

SENATOR AVERY: Yeah. [LR172]

SENATOR HOWARD: Senator Sullivan. [LR172]

SENATOR SULLIVAN: Thank you, Senator Howard. Thank you, Dr. Pratt, for your comments. With respect to specifically the UNMC report and also earlier when Caleb Pollard from Valley County talked about a healthcare worker shortage, we're well aware of that, and I haven't had a chance to read that entire report, but it just exemplifies something we already do. So I wonder about the bill that I left on Final Reading as we ended last session that will come back when we go in January that has to do with area health education centers that do just that, that have been working hard. And I hope that UNMC will give close attention to those AHECs, because the wheel doesn't necessarily need to be reinvented. [LR172]

LINDA PRATT: Right. They close this report with a number of recommendations. Most of those recommendations are how to expand the medical coverage out into all of the areas of Nebraska and how to make partnerships with local communities and other concerns, including the community colleges to do that sort of education that you're talking about. I also would mention our effort to--which is moving along well--to have a college of nursing campus in Norfolk. And when President Huck was talking about staying where you get your training, we have nursing in Norfolk, soon Scottsbluff, throughout the state. And part of the reason we do that is to educate a nurse force in those areas that can serve those particular areas. But we are in complete agreement with the points that you were raising, and I think they are addressed to some extent--maybe not as pointedly as you're thinking about with your bill--but certainly they

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are addressed in the recommendations in this very lengthy study. [LR172]

SENATOR SULLIVAN: Thank you. [LR172]

SENATOR HOWARD: Any other questions? Thank you. [LR172]

LINDA PRATT: Thank you. [LR172]

KATE BOLZ: (Exhibit 4) Good afternoon. My name is Kate Bolz, and I am the community educator for the Nebraska Appleseed Center for Law in the Public Interest. [LR172]

SENATOR HOWARD: Kate, you want to spell your last name? [LR172]

KATE BOLZ: Kate B-o-l-z. I'm pleased to be here with you to discuss our state's vision for building opportunities for workers to gain skills and education and ultimately enter high-demand jobs. As has already been discussed this afternoon, brain drain, a high proportion of low-paying jobs, and the current economic downturn are all negatively impacting the well-being of Nebraska's families, communities, and economy. At the same time, our work force is one of the most dedicated in the nation; and in spite of recent increases, our unemployment rate is one of the lowest in the nation. I think examining the development of career pathways as is placed out by this interim study represents an opportunity to build on the strength of our work force and to proactively develop new economic opportunities for families and Nebraska to come out ahead in economic recovery. As has already been mentioned, Nebraska is well positioned to make gains in green jobs, insurance, healthcare, and other industries. Particularly essential to these industries are middle-skill jobs--positions that require on-the-job training certificates and associate's degrees that are so well provided by the community colleges, as already has been discussed today. But to move forward in these sectors, we believe that increasing the capability of working Nebraskans is essential. Two-thirds

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of our 2020 work force is already working today, meaning that we must improve the skills of our current workers in order to compete in the future knowledge- and technology-driven economy. However, one in ten Nebraskans does not have a high school diploma or GED, and only 36 percent have an associate's degree or higher. We also have a significantly new number of unemployed workers who are looking for new skills and new training. Because these workers need such opportunities but also have current family responsibilities, new models and new strategies are needed to increase work force competitiveness. Opportunities do exist to build worker skills and meet future economic demands. Nebraska Appleseed has been convening a Job Opportunities Working Group through most of 2009, consisting of educators, labor leaders, human services providers, business leaders, and others. Recommendations that follow are not on behalf of that group but were developed in consultation with that group. The first recommendation is to build career pathways models that combine education, supportive services, and on-the-job training for workers to obtain good jobs in high-demand industries, specifically using state investments to leverage resources from multiple stakeholders. As Mr. Pollard mentioned, there's an excellent example called the Omaha Work Force Collaborative that is working well in Omaha. Other quality examples can be found in Arkansas, Washington, and Wisconsin. The second recommendation is to recognize the need for supportive services, especially in child-care assistance and soft skills training, in the development of a quality work force. And we believe that that can be well done in the context of moving folks from low employment into higher-demand, higher-skilled jobs. Invest in adult education programming to put low-skilled and low-educated adults back on the path to acquiring the skills necessary to fill those jobs in high demand. Increase investments in and access to need-based financial aid, particularly for nontraditional students. Proactively increase collaboration among state agencies. Gather useful data. And develop a state vision for work-force development to guide stakeholders in the development of education and training programs. I'll wrap up by saying that Nebraska Appleseed will continue to work on these issues, and we're hosting a forum called Building Nebraska's Future Work Force on October 29. We invite all of you and your staff to attend as we continue this important discussion. [LR172]

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SENATOR HOWARD: Thank you, Kate. [LR172]

KATE BOLZ: Thank you. [LR172]

SENATOR HOWARD: Thank you. Do we have questions? Looks like you did a good job. Thank you. Other testifiers? Welcome back, Senator Harms. [LR172]

SENATOR HARMS: Well, thank you very much. I think you heard some really good testimony. I think what we have to do now is to look the information over and find out...put it on the platform to see just exactly what we have and then map out the direction we want to go. I'm just...as I said, I have concerns about getting people prepared for the future. And all of us are doing certain segments. We need to get that catalogued so we can really get a handle on it, then look at where the weaknesses are, and then gear up on those weaknesses and move Nebraska forward. I appreciate people coming in this late on a Friday afternoon to testify, but I think in the future it's a very important topic that we need to address. So thank you. I'd be happy to answer any questions. [LR172]

SENATOR HOWARD: Do we have any additional questions? [LR172]

SENATOR HARMS: Oh, you're very gracious and kind. Thank you. [LR172]

SENATOR HOWARD: Well, thank you. And thank you always for staying. I always appreciate that you look ahead down the road at what we're facing. [LR172]

SENATOR HARMS: Thank you. [LR172]

SENATOR HOWARD: Thank you. All right. That will conclude our session for today, and I thank you for coming. (See also Exhibits 1 and 5) [LR172]

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